



3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-845; C-201-846]

Sugar from Mexico: Continuation of Antidumping and Countervailing Duty Investigations

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

EFFECTIVE DATE: (Insert date of publication in the *Federal Register*)

SUMMARY: As of December 19, 2014, the Department of Commerce (the Department) suspended the antidumping duty (AD) investigation of imports of sugar from Mexico, based on an agreement between the Department and signatory producers/exporters accounting for substantially all imports of sugar from Mexico, and the countervailing duty (CVD) investigation of imports of sugar from Mexico, based on an agreement between the Department and the Government of Mexico. Both agreements eliminate completely the injurious effects of exports of the subject merchandise to the United States. The Department has received timely requests to continue the AD and CVD investigations of sugar from Mexico. Pursuant to sections 734(g) and 704(g) of the Tariff Act of 1930, as amended (the Act), respectively, the Department is resuming its investigations. We are resuming the investigations as if our preliminary determinations had been published on this notice's publication date.

FOR FURTHER INFORMATION CONTACT: Kaitlin Wojnar or David Lindgren at (202) 482-3857 or (202) 482-3870, respectively; AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION

Background

On April 17, 2014, the Department initiated AD and CVD investigations of sugar from Mexico under sections 732 and 702 of the Act, respectively.¹ On August 25, 2014, the Department made an affirmative preliminary CVD determination and aligned the date of its final determination with that of the concurrent AD investigation.² On October 24, 2014, the Department made a preliminary determination of sales at less than fair value and fully extended the final determination deadline.³

On October 27, 2014, the Department and a representative for the Mexican sugar producers/exporters initialed a proposed agreement to suspend the AD investigation of sugar from Mexico.⁴ On the same day, the Department and the Government of Mexico initialed a proposed agreement to suspend the CVD investigation of sugar from Mexico.⁵ Consistent with sections 734(e)(1) and 704(e)(1) of the Act, the Department notified all interested parties and the U.S. International Trade Commission (ITC) of the proposed agreement.⁶ On October 30, 2014, the Department issued a memorandum proposing a clarification of the scope of the investigations.⁷ Interested parties were invited to submit written comments on the proposed suspension agreements and the proposed scope clarification by November 10, 2014. On

¹ See *Sugar from Mexico: Initiation of Antidumping Duty Investigation*, 79 FR 22795 (April 24, 2014); see also *Sugar from Mexico: Initiation of Countervailing Duty Investigation*, 79 FR 22790 (April 24, 2015).

² See *Sugar from Mexico: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination*, 79 FR 51956 (September 2, 2014).

³ See *Sugar from Mexico: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 79 FR 65189 (November 3, 2014).

⁴ See Department Memorandum, “Draft Agreement Suspending the Antidumping Duty Investigation on Sugar from Mexico,” October 27, 2014.

⁵ See Department Memorandum, “Draft Agreement Suspending the Countervailing Duty Investigation on Sugar from Mexico,” October 27, 2014.

⁶ See Department Memorandum, “Memorandum to All Interested Parties,” October 27, 2014.

⁷ See Department Memorandum, “Antidumping and Countervailing Duty Investigations of Sugar from Mexico: Proposed Scope Clarification,” October 30, 2014.

November 7, 2014, that deadline was extended to November 18, 2014.⁸ The Department received timely comments from numerous parties.

The Department and a representative of the signatory producers/exporters accounting for substantially all imports of Mexican sugar to the United States, Camara Nacional de Las Industrias Azucarera y Alcoholera (the Mexican Sugar Chamber), signed an agreement suspending the AD investigation on December 19, 2014.⁹ On the same day, the Department and the Government of Mexico signed an agreement suspending the CVD investigation.¹⁰ In accordance with sections 734(f) and 704(f) of the Act, the Department notified the ITC of its suspension of the AD and CVD investigations.¹¹ The scope of the investigations was revised, as provided in the Suspension Agreements, based on comments received from interested parties.

On January 8, 2015, Imperial Sugar Company (Imperial) and AmCane Sugar LLC (AmCane) each notified the Department that they had petitioned the ITC to conduct a review to determine whether the injurious effects of imports of the subject merchandise are eliminated completely by the AD Suspension Agreement (a section 734(h) review) and the CVD Suspension Agreement (a section 704(h) review).¹² On January 16, 2015, Imperial and AmCane also submitted timely requests for continuation of the AD and CVD investigations.¹³ The

⁸ See Department Memorandum, “Sugar from Mexico: Notice of Extension of Deadline to Submit Comments on Draft Suspension Agreements and Scope Clarification,” November 7, 2014.

⁹ See *Sugar from Mexico: Suspension of Antidumping Duty Investigation*, 79 FR 78039 (December 29, 2014), at Attachment, “Agreement Suspending the Antidumping Duty Investigation on Sugar from Mexico” (AD Suspension Agreement).

¹⁰ See *Sugar from Mexico: Suspension of Countervailing Duty Investigation*, 79 FR 78044 (December 29, 2014), at Attachment, “Agreement Suspending the Countervailing Duty Investigation on Sugar from Mexico” (CVD Suspension Agreement) (collectively, with the AD Suspension Agreement, the Suspension Agreements).

¹¹ See Letter from the Department, “Suspension of Antidumping and Countervailing Duty Investigations of Sugar from Mexico,” December 22, 2014.

¹² See Letter from Imperial, “Sugar from Mexico – Notice of Filing of Petition for Review of Suspension Agreements to Eliminate the Injurious Effect of Subject Imports,” January 8, 2015; see also Letter from AmCane, “Sugar from Mexico: Notice of Petition for Review of Suspension Agreements,” January 8, 2015.

¹³ See Letter from Imperial, “Sugar from Mexico, Inv. Nos. A-201-845 and C-201-846 – Request for Continuation of Investigations,” January 16, 2015; see also Letter from AmCane, “Sugar from Mexico: Request for Continuation of Investigations,” January 16, 2015.

American Sugar Coalition and its members¹⁴ (collectively, Petitioners) and the Mexican Sugar Chamber challenged both Imperial's and AmCane's standing to request continuation under sections 734(g) and 704(g) of the Act.¹⁵ The Department solicited comments on the standing issue and notified interested parties that, if it was determined that continuation is warranted, the suspended investigations would resume following the March 24, 2015, deadline for the ITC's section 734(h) and section 704(h) reviews.¹⁶ We received comments and rebuttal comments on the standing issue from several interested parties.¹⁷

On March 19, 2015, in a unanimous vote, the ITC found that the Suspension Agreements eliminate completely the injurious effects of imports of sugar from Mexico.¹⁸ On the same day, the Department announced that it would issue a decision regarding continuation of the

¹⁴ The American Sugar Coalition is comprised of the following individual members: American Sugar Cane League; American Sugar Refining, Inc.; American Sugarbeet Growers Association; Florida Sugar Cane League; Hawaiian Commercial and Sugar Company; Rio Grande Valley Sugar Growers, Inc.; Sugar Cane Growers Cooperative of Florida; and United States Beet Sugar Association.

¹⁵ See Letter from Petitioners, "Sugar from Mexico: Opposition to Standing of Imperial Sugar Company and AmCane Sugar LLC to Request Continuation of Suspended Investigations," January 20, 2015; *see also* Letter from the Mexican Sugar Chamber, "Letter Supporting Petitioners' Opposition to Standing of Imperial Sugar Company and AmCane Sugar LLC," January 22, 2015. Rebuttal comments were filed on January 27 and 28, 2015, and Petitioners filed a reply on January 29, 2015. See Letter from Imperial, "Sugar from Mexico, Inv. Nos. A-201-845 and C-201-846 – Response to Opposition to Standing of Imperial Sugar Company to Request Continuation of Suspended Investigations," January 27, 2015; *see also* Letter from AmCane, "Sugar from Mexico: Response to Letter Disputing Standing of AmCane Sugar LLC to Request Continuation of Suspended Investigations," January 28, 2015; Letter from Petitioners, "Sugar from Mexico: Reply to Imperial's and AmCane's Responses to Petitioners' Opposition to Standing to Request Continuation of Suspended Investigations," January 29, 2015.

¹⁶ See Department Memorandum, "Solicitation of Comments and Timetable for Requests to Continue the Antidumping and Countervailing Duty Investigations on Sugar from Mexico," January 28, 2015.

¹⁷ See Letter from the Mexican Sugar Chamber, "Investigation of Sugar from Mexico – Opposition to Standing of Imperial Sugar Company and AmCane Sugar LLC," February 10, 2015; *see also* Letter from Sweetener Users Association, "Sugar from Mexico – Comments of the Sweetener Users Association in Support of Determination that Certain Sugar Refiners Have Standing to Request Continuation of Investigations," February 10, 2015; Letter from Petitioners, "Sugar from Mexico: Comments on Continuation of Suspended Investigations," February 10, 2015; Letter from Imperial, "Sugar from Mexico, Inv. Nos. A-201-845 and C-201-846 – Rebuttal Comments in Response to Opposition to Standing of Imperial Sugar Company to Request Continuation of Suspended Investigations," February 17, 2015; Letter from AmCane, "Sugar from Mexico: Response to Petitioners' Feb. 10 Comments on Continuation of Suspended Investigations," February 17, 2015; Letter from Petitioners, "Sugar from Mexico: Rebuttal to Sweetener Users Association's Comments on Standing of Imperial Sugar Company and AmCane Sugar LLC," February 18, 2015.

¹⁸ See Department Memorandum, "Requests to Continue the Antidumping and Countervailing Duty Investigations on Sugar from Mexico," March 19, 2015.

investigations promptly after the ITC made its views and findings available.¹⁹ On March 24, 2015, the ITC notified the Department of its determinations.²⁰ On April 10, 2015, the ITC provided a report of its views and findings in the section 734(h) and section 704(h) reviews to the Department.²¹ On April 24, 2015, we issued a memorandum regarding our determination that Imperial and AmCane are interested parties which are parties to the investigations and, accordingly, have standing to request continuation of the AD and CVD investigations.²²

Continuation of Investigations

Sections 734(g) and 704(g) of the Act require the Department to continue a suspended investigation if it receives a request for continuation within 20 days of the notice of suspension of an investigation from an interested party, as described in section 771(9)(C) through (G) of the Act, which is a party to the investigation. As noted above, Imperial and AmCane filed timely requests for continuation. Having determined that Imperial and AmCane have standing to request continuation, the Department is continuing its AD and CVD investigations of imports of sugar from Mexico pursuant to sections 734(g) and 704(g) of the Act, respectively. The Department is resuming the investigations as if its preliminary determinations had been published on this notice's publication date. Consistent with section 735(a)(2)(A) of the Act, as

¹⁹ *Id.*

²⁰ See Letter from the ITC, Notification of Determination, March 24, 2015.

²¹ See Letter from the ITC, Notification of Report, April 9, 2015 (notifying the Department that a report on the ITC's section 734(h) and section 704(h) reviews would be available on the ITC's electronic filing system in one business day).

²² See Department Memorandum, "Standing of Imperial Sugar and AmCane Sugar to Request Continuation of the AD and CVD Investigations on Sugar From Mexico," April 24, 2015.

well as the CVD investigation's prior alignment with the concurrent AD investigation, we intend to make our final determination in both investigations within 135 days of this notice's publication date.

Dated: April 24, 2015.

Paul Piquado,
Assistant Secretary for Enforcement and Compliance.

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